

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

REVIEW REPORT
OF
LAW ENFORCEMENT TRAINING BOARD
STATE OF INDIANA
May 1, 2008 to March 31, 2012



FILED
06/13/2012

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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Rusty K. Goodpaster	12-13-05 to 12-12-13
Chairman of the Board	Paul Whitesell	01-10-05 to 01-13-13



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE LAW ENFORCEMENT TRAINING BOARD

We have reviewed the activities related to the receipts, disbursements, and assets of the Law Enforcement Training Board for the period of May 1, 2008, to March 31, 2012. Law Enforcement Training Board's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports. Federal programs are included in the scope of our statewide single audits as reflected in the Statewide Single Audit Reports.

Based on our review, nothing came to our attention that caused us to believe that the activities related to the receipts, disbursements, and assets of the Law Enforcement Training Board are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, and applicable laws and regulations except as stated in the review comments.

The Law Enforcement Training Board's response to the Review Comments identified in our review is described in the accompanying section of the report entitled Official Response. We did not review the Law Enforcement Training Board's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Law Enforcement Training Board's management and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office reviewed.

STATE BOARD OF ACCOUNTS

May 1, 2012

LAW ENFORCEMENT TRAINING BOARD
REVIEW COMMENTS

SDO ADVANCE

As stated in our prior two Reports B27432 and B3241, the Law Enforcement Training Board's Special Disbursing Officer (SDO) advances from funds 38920, 44490, and 70420 were not turned over for several months.

Whenever a SDO fund is established, money is removed from a Treasurer of State bank account, thus, not being invested. Therefore, consideration should be given to the size of the SDO fund. If an agency is not using the total SDO advance within one or two months, the SDO advance is too large and should be reduced. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 6.4.10.6)

FIXED ASSET INVENTORY

As stated in our prior two Reports B27432 and B3241, the annual physical inventory of the assets of the Law Enforcement Training Board was not conducted.

Agency personnel are responsible for accountability for all assets under their control, including capital assets. Adequate asset management staff should be assigned to recording and maintaining, on the ENCOMPASS financial system, all capital assets with a cost greater than \$500. Assets are automatically capitalized upon approval by either the BU approver or AOS approver. Controls should be in effect to assure that additions, disposals, and transfers to other departments or agencies are recorded timely. Inventories of these assets should be performed each year in each department and compared to the ENCOMPASS listing. Results of inventories should be retained for audit purposes. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 8.3)

LAW ENFORCEMENT TRAINING BOARD
EXIT CONFERENCE

The contents of this report were discussed on May 15, 2012, with Rusty K. Goodpaster, Executive Director, and Kathy Long, Director of Support Services. The Official Response has been made a part of this report and may be found on page 6.



Law Enforcement Training Board

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May 16, 2012

TO: Bruce A. Hartman, State Examiner
State Board of Accounts

Michael A. Hoose, Supervisor
State Board of Accounts

FROM: Rusty K. Goodpaster, Executive Director - *RG*
Law Enforcement Training Board
Indiana Law Enforcement Academy

SUBJECT: OFFICIAL RESPONSE

This memo is in reference to the recent audit conducted at our agency by Deb Goodchild. Please consider this our official response to the items mentioned in the "Exit Interview" and "Review Comments" as follows:

SDO ADVANCE

As we explained, our Business Administrator and Account Clerk have been in the process of closing out our SDO account. However, there was an issue with a shortage dating back to 2005. Ms. Goodchild recommended that we contact the Auditor's Office to get guidance on how to proceed. We were advised by Mary Reilly, by email, to obtain a letter from State Board of Accounts stating that we are able to "write-off" the shortage of \$267.45. Once this is completed, the SDO account will be closed out.

FIXED ASSET INVENTORY

The Review states that "the annual physical inventory of the assets of the LETB was not conducted". As discussed in the meeting with Mr. Goodpaster, Lori Sipos, Ms. Goodchild & Mr. Hoose our Fixed Asset Clerk has been conducting and overseeing the physical inventory, and updating all of the information for the last several months and we are nearly finished with it. We realize in the past that the annual inventories had not been completed as required and are making every effort to update all of the information and continue the annual inventories. In addition, when our employees recently attended the State's most recent Fixed Asset Training, they were advised that an agency is not required to complete a full annual physical inventory by a certain date but can keep an ongoing inventory going throughout the year. Departments have been advised that physical inventories must be kept up to date and they will be held accountable for their fixed assets when checked. However, at this point, we would like clarification as to what the specific requirements are for conducting annual physical inventories.

If you have any further questions or concerns, please contact me at 317/839-5191.

Thank you.

KJL:ms